

2 Minutes on Super

NEWS, REMINDERS AND TIPS ABOUT YOUR SAVINGS

»»» What we're talking about

We've introduced a sixth investment option that invests mainly in Australasian and international shares. This investment option will suit members who are prepared to accept considerable volatility in order to maximise returns over the long term. We also explain the features of our new-look website and provide some reminders about administrative matters with the potential to delay benefit payments.

New higher-risk/higher-return investment option

We have introduced a fund for members who are prepared to tolerate higher volatility in exchange for higher long-term expected returns. The new option called High Growth invests 95% in shares with a 5% allocation to cash for liquidity management purposes. We've introduced High Growth in response to interest from members in a more aggressive investment option. It does not express a view that the directors believe now is a good (or bad) time to invest predominantly in shares. Investing in growth assets carries significant risks. Our Risk Profiler will give an indication of whether this option suits your circumstances and investment personality (see below). We've also updated the Retirement Income Calculator to include High Growth. You can try out different scenarios to see what impact investing in this and the other options might have on your long-term savings. However, we recommend you seek independent financial advice before switching your investments to High Growth. For more information, see our updated disclosure documents, including the statement of investment policy and objectives, product disclosure statement and other material information document.

»»» [Sign in to your account](#) to use the Retirement Income Calculator

»»» [Read the updated disclosure documents](#)

»»» [Switch to High Growth online](#) or download an [Investment choice form](#)

Take time to review your investment choice

The PSS Risk Profiler is a tool provided by Mercer as a licensed financial advice provider. The tool has been recalibrated to include High Growth. With a new option in play, you might get a different result from when you last used it. Remember, the tool assumes you are investing for the long term. If you need to access your savings in the short term, say to buy a first home, you probably want to consider investing conservatively (in Stable or Cash Plus). In January, Mercer plans to make further changes to the tool to simplify it and to add a question up front that asks specifically whether you intend to access your funds in the short term. These changes are in line with new Financial Markets Authority guidelines. Choosing the best investment option for your circumstance is important. Our Risk Profiler is a good starting point. You could also try the fund finder at sorted.org.nz for a second opinion or talk to a licensed financial advice provider.

»»» [PSS Risk Profiler – take the quiz](#)

»»» [Try the Sorted fund finder](#)

Time to have your say

We always welcome feedback from members, but every 3 years or so, we undertake formal research to canvas members' views. You will have received an invitation to participate in the survey from NielsenIQ, the company conducting the survey on our behalf. Don't worry if you missed it. NielsenIQ will send a reminder email soon. When you complete the survey, you'll have the option to go in the draw to win one of two \$100 Prezzy cards.

New-look website

We've made some design changes to our website to make it easier to navigate – especially on a mobile device. You'll find more quick links on the home page plus navigation links on other pages to make accessing content faster. We've added a blog style news section so you can read updates as web pages rather than as a pdf newsletter. Another new feature is a glossary of superannuation and investment terms.



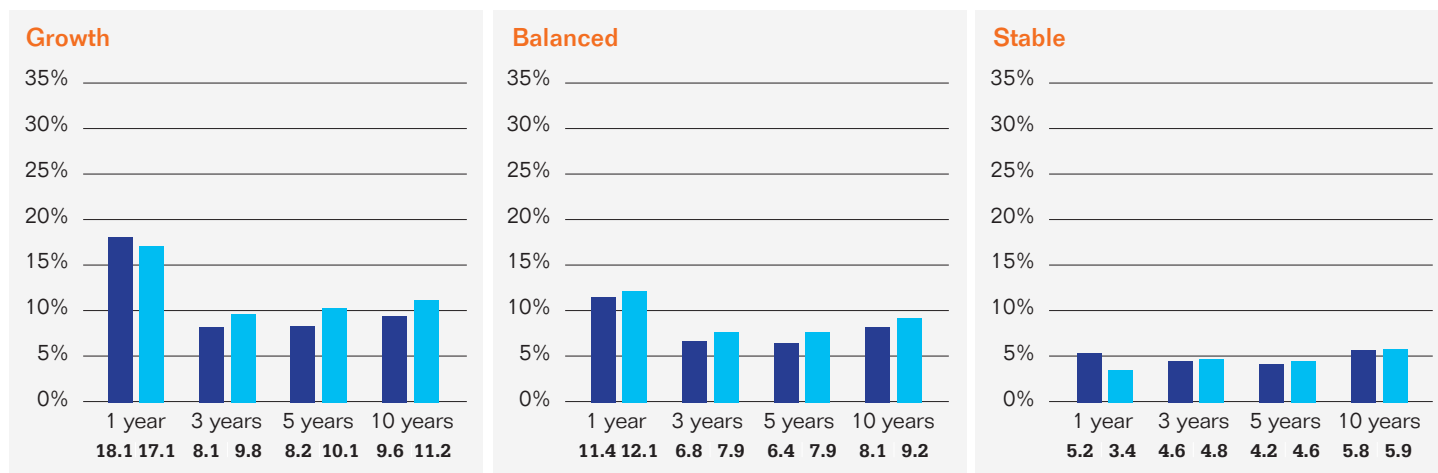
Not sure what something means? See our [glossary](#)

Returns tracking well despite volatile markets

Investment returns continue to be fairly volatile as the economic fallout and stages of recovery from the pandemic continue to ebb and flow. This is reflected in the monthly returns published on our website. For example, September returns were negative across our funds largely due to softening global economic data, monetary policy tightening, higher inflation readings and the Evergrande credit crisis, which has impacted the Chinese and other emerging markets. However, this has not stopped investor optimism. Global equity markets rebounded in October, boosted by better than expected corporate earnings growth. As ever, while short-term movements are interesting, the important thing is that the long-term prospects of the fund(s) you're invested in match your investment goals.

The graphs below show peer performance against comparable KiwiSaver funds. Performance has been improving on previous quarters largely due to our relatively high exposures to commodities and relatively low exposures to New Zealand shares.

PSS vs KiwiSaver investment returns Periods ended 30 September 2021 (after fees and before tax)



■ PSS returns for periods to 30 September 2021

■ Average from Morningstar KiwiSaver Survey September quarter 2021



See the [monthly returns](#)

Proof of bank details required for benefit payments

We can only pay benefits into an account in your name. This means we cannot pay benefits into family trust accounts, business accounts or accounts in someone else's name. That's why we need to ask for supporting evidence of your bank account details when you make a withdrawal, and it also helps prevent a slip-up in transcribing your account number. The evidence needs to show the name the account is in and the bank account number. The simplest way is to take a screenshot from your internet banking or a photocopy of the top of a bank statement or ask your bank to print and sign a verification of account slip. Once Mercer has this information on file, you won't need to provide it again unless you change your account. This extra step is designed to help protect members against fraud. It's also required by our auditor.

Loans and benefit payments

As you know, you can use your savings as security for a loan with the Police and Families Credit Union or other lenders. If you do, a charge is registered against your account. This gives the lender the option of having any outstanding balance repaid at the time you make a withdrawal from the scheme. When you apply for a benefit, Mercer contacts the lender. The lender assesses the security of the loan and either authorises Mercer to process the payment or contacts you if an amount needs to be repaid or retained in your account as security. If there's a charge against your account, Mercer needs to follow this process whether or not you have repaid the loan. Expect your payment to be delayed by up to a week while the charge matter gets sorted.

Benefit payments over the holidays

The last payment date for benefits for 2021 will be Friday 17 December. You need to factor this in if you are planning to withdraw money over the holidays. This applies to all benefits including partial withdrawals, first-home benefits, leaving service payments, significant financial hardship payments and withdrawals from retained member accounts. For a pre-Christmas payment, Mercer needs to receive the completed form from you (or Payroll in the case of leaving service payments) by Friday 10 December. At this point, a pre-Christmas payment may not be possible if you have a charge registered against your super. Investment changes requested and regular payments for retained members will be processed as usual. The helpline will also operate as usual over the holiday period.

Got a question?

pss.superfacts.co.nz

You'll find plenty of information about the PSS and your membership online. Our website is optimised for mobile phones and tablets and has lots of features to help you manage your super.

0800 PSSSCHEME (0800 777 243)

The helpline hours are 9.00am to 7.00pm Monday to Friday (except public holidays).